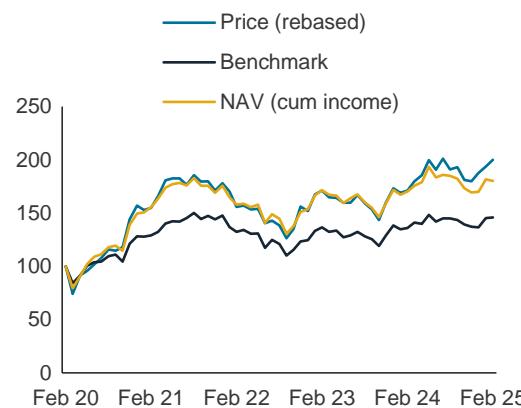
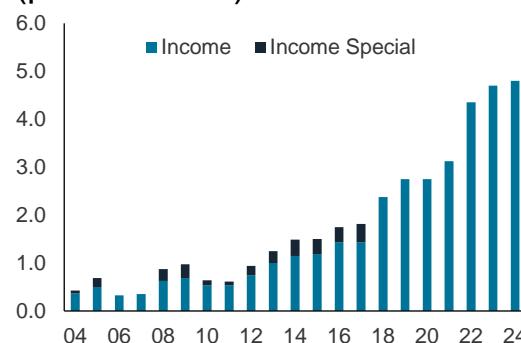


Share price performance (total return)



From July 2022, the benchmark changed from the EMIX Smaller European Companies ex UK Index to the MSCI Europe ex UK Small Cap Index.

Dividend history (pence/share)



Please note that this chart could include dividends that have been declared but not yet paid.

Please remember that past performance does not predict future returns. The value of an investment and the income from it can rise as well as fall as a result of market and currency fluctuations, and you may not get back the amount originally invested. Please refer to the glossary for the definition of share price total return.

Performance over (%)

	6m	1y	3y	5y	10y
Share price (Total return)	4.8	16.8	28.5	100.1	223.8
NAV (Total return)	-2.7	5.9	14.0	80.2	190.9
Benchmark (Total return)	0.5	7.1	10.2	45.8	134.1
Relative NAV (Total return)	-3.2	-1.3	3.8	34.4	56.8

Commentary at a glance

Performance

In the month under review the Company's NAV total return was -0.8% and the MSCI Europe ex UK Small Cap Index total return was 0.3%.

Contributors/detractors

Detractors from performance included Suess Microtec, R&S Group and Stratec. Positive contributors included Alzchem, Acerinox and Exosens.

Outlook

We believe we could soon be looking at a very different economic backdrop, defined by a coordinated global upswing in which we would expect small-cap stocks to participate.

See full commentary on page 3.

References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

Discrete year Share price NAV performance (%) (total return) (total return)

31/12/2023 to 31/12/2024	8.2	-1.0
31/12/2022 to 31/12/2023	14.0	11.6
31/12/2021 to 31/12/2022	-14.7	-12.5
31/12/2020 to 31/12/2021	13.4	17.6
31/12/2019 to 31/12/2020	36.4	33.2

All performance, cumulative growth and annual growth data is sourced from Morningstar.

Source: at 28/02/25. © 2025 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance does not predict future returns.

Company overview

Objective

The Company seeks capital growth by investing in smaller and medium sized companies which are quoted, domiciled, listed or have operations in Europe (excluding the UK).

Highlights

Providing unique access to Europe's growing small- and medium-sized companies with the sole aim of increasing shareholder capital.

Company information

NAV (cum income)	193.8p
NAV (ex income)	192.8p
Share price	183.4p
Discount(-)/premium(+) (%)	-5.4%
Yield	2.6%
Net gearing	8%
Net cash	-
Total assets	£828m
Net assets	£763m
Market capitalisation	£722m
Total voting rights	393,815,298
Total number of holdings	126
Ongoing charges (year end 30 Jun 2024) (%)	0.67%
Benchmark	MSCI Europe ex UK Small Cap Index

Overall Morningstar Rating™ ★★★★★
As of 28/02/2025

Source: BNP Paribas for holdings information and Morningstar for all other data. Differences in calculation may occur due to the methodology used.

Please note that the total voting rights in the Company do not include shares held in Treasury.

How to invest

Go to www.janushenderson.com/howtoinvest

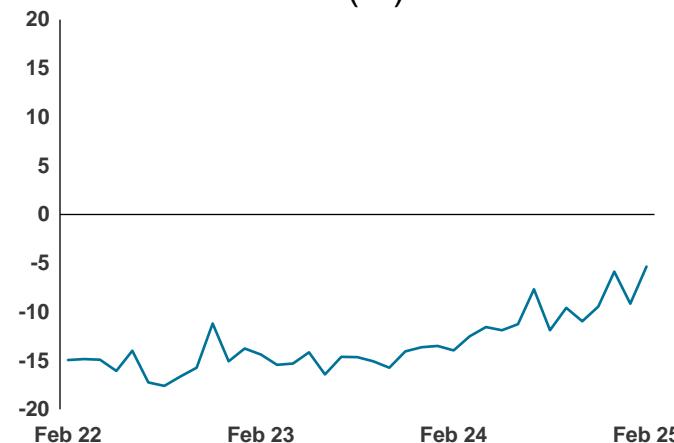
Find out more

Go to www.europeansmallercompaniestrust.com

Top 10 holdings (%)

Van Lanschot Kempen	3.0
TKH Group	2.8
IG Group	2.2
AlzChem Group	2.1
KSB	2.0
Stroer	1.8
Criteo	1.7
Renewi	1.7
Gaztransport Et Technigaz	1.7
Avolta	1.6

References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

Premium/(discount) of share price to NAV at fair value (%)**Geographical focus (%)**

The above geographical breakdown may not add up to 100% as this only shows the top 10.

Sector breakdown (%)

The above sector breakdown may not add up to 100% due to rounding.

Industrials	35.6%
Technology	12.6%
Consumer Services	10.3%
Core Financials	8.3%
Basic Materials	7.7%
Consumer Goods	7.5%
Health Care	5.4%
Real Estate	5.1%
Financial Services	5.0%
Energy	2.5%

Key information

Stock code	ESCT
AIC sector	AIC European Smaller Companies
Benchmark	MSCI Europe ex UK Small Cap Index
Company type	Conventional (Ords)
Launch date	1990
Financial year	30-Jun
Dividend payment	April, November
Management fee	0.55% pa on first £800m of net assets and 0.45% pa in excess thereof.
Performance fee	Yes (See Annual Report & Key Information Document for more information)
Regional focus	Europe
Fund manager appointment	Ollie Beckett 2011 Rory Stokes 2014 Julia Scheufler 2024



Ollie Beckett
Fund Manager



Rory Stokes, CFA
Fund Manager



Julia Scheufler, CFA
Fund Manager

10 year total return of £1,000

All performance, cumulative growth and annual growth data is sourced from Morningstar. Share price total return is calculated using mid-market share price with dividends reinvested.

Fund Manager commentary

Investment environment

European equity markets performed strongly in February, outperforming US equities for the second consecutive month.

Geopolitics was a key driver. The momentum behind European stocks was fuelled by hopes of a Ukrainian ceasefire and a relatively benign German election outcome, with Friedrich Merz heading the victorious CDU/CSU alliance. However, a coalition government (likely with the SPD) will need to be formed. There is still uncertainty abound in Europe, with many nations contemplating the possible implementation and direction of US import tariffs.

The defence sector performed strongly during the month after NATO Secretary General Mark Rutte emphasised the need for NATO members to commit to significantly more defence spending. In the US, several underwhelming macroeconomic data prints seemed to suggest that tariff and inflation uncertainties have left their mark on US consumer confidence.

Additionally, chipmaker NVIDIA's results, although strong, disappointed investors. This dragged down both the technology sector and the wider market.

Portfolio review

The holding in semiconductor capital equipment company Suess Microtec detracted from performance during February. There was some anxiety around the company's 2026 projections, as Microsoft has cut its capital expenditure on data centres.

Also, shares in Suess Microtec continued to suffer due to the release of DeepSeek and the questions this prompted surrounding the large-scale investment in artificial intelligence (AI) infrastructure. Swiss company R&S Group, which produces power products such as transformers, also detracted from performance. The placing of stock by some of the special purpose acquisition company (SPAC) holders appears to have sucked demand from the market. However, we believe the fundamentals of the company remain strong and so retain the position. German biotech company STRATEC, which designs and manufactures automation and instrumentation solutions for in-vitro diagnostics and life sciences globally, also detracted. Despite a strong start to 2025, the stock surrendered its gains over the course of February.

On the other hand, the specialty chemicals company Alzchem performed well during the month. The company makes nitroguanidine that goes into NATO ammunitions, so its share price rose alongside other defence stocks during the month. Acerinox is a producer of steel, primarily in the US. Despite releasing mediocre results, the company performed well during the month. Investors are hoping that the company will benefit from the implementation of US import tariffs. Exosens, the French manufacturer that produces photo-sensing and imaging solutions primarily for the defence sector, also performed well. Its share price was aided by the increased market demand for its products, especially night-vision equipment for NATO member countries.

During the month, we opened a position in the travel technology company HBX Group, which connects hotels and travel experience providers with online marketplaces, as we believe that European consumer spending on travel will remain resilient. We also opened a position in the German company HomeToGo for the same reason. We opened a position in the Spanish-listed business Indra, which provides IT services. The company has a large defence exposure, and so is part of our conviction in defence holdings. We also opened a position in Iveco, the Italian vehicle manufacturing company, as it manufactures military vehicles. We also initiated a position in Portuguese-based The Navigator Company, a leading global pulp and paper products manufacturer, on the back of what we believe were attractive valuations at the time of writing.

We closed the position in Irish hospitality company Dalata Hotel Group, which owns and operates hotels across Ireland, the UK and Germany. We believe the Irish market looks weak for the hospitality industry, while higher labour costs are likely to place further strain on the company's operations. We also closed the position in French semiconductor producer Soitec due to its profit warning, and in the Italian vehicle manufacturer Piaggio. We do not believe there will be a pick-up in demand for scooters and bikes, and we are worried about the sustainability of the company's dividend. We also sold our positions in Krones, Origin Enterprises, Konecranes and Klingelnberg.

Manager outlook

In February, President Trump implemented trade tariffs on Canada, Mexico and China. We believe tariffs for continental Europe are likely to follow, which could cause volatility in markets. Despite this, we still envisage underlying improving growth in both the US and China, which should prove supportive for Europe. We also think we could see a ceasefire in Ukraine. Therefore, although we expect volatility and a possible risk-off scenario in the near future, the underlying trends for European small-cap companies remain positive in our view. Further potential catalysts to the performance of small-cap companies include improving consumer sentiment signs of which we have already seen in Sweden and further Chinese stimulus measures, which we believe would benefit Europe.

We are hopeful that the German election outcome will prove positive for the country and, therefore, the rest of Europe. There has been a consensus in the election run-up that reform and improved productivity are necessary. We are optimistic that the new government will prioritise these factors.

Overall, we hope that Europe's politicians can deliver a more cohesive Europe in the upcoming years by directly addressing the continent's challenges. We see the signs of increased spending on defence as indicative of this, but at present we remain cautious.

All considered, we believe we could soon be looking at a very different economic backdrop, defined by a coordinated global upswing in which we would expect small-cap stocks to participate.

Glossary

Discount/Premium

The amount by which the price per share of an investment company is either lower (at a discount) or higher (at a premium) than the net asset value per share (cum income), expressed as a percentage of the net asset value per share.

Gearing

The effect of borrowing money for investment purposes (financial gearing). The amount a company can "gear" is the amount it can borrow in order to invest. Gearing is used in the expectation that the returns on the investments bought will exceed the costs of the borrowings that funded the purchase. This Company can also use synthetic gearing through derivatives and foreign exchange hedging and/or other non-fully funded instruments or techniques.

Leverage

The Company's leverage is the sum of financial gearing and synthetic gearing. Details of the Company's leverage limits can be found in both the Key Information Document and Annual Report. Where a company utilises leverage, the profits and losses incurred by the company can be greater than those of a company that does not use leverage.

Market capitalisation

Share price multiplied by the number of shares in issue, excluding treasury shares, at month end. Shares typically priced mid-market at month-end closing.

Net Asset Value (NAV)

The total value of a Company's assets less its liabilities.

NAV (Cum Income)

The value of investments and cash, including current year revenue, less liabilities (prior charges such as loans, debenture stock and preference shares at fair value).

NAV (Ex Income)

The value of investments and cash, excluding current year revenue, less liabilities (prior charges such as loans, debenture stock and preference shares at fair value).

NAV total return

The theoretical total return on shareholders' funds per share reflecting the change in Net Asset Value (NAV) assuming that dividends paid to shareholders were reinvested at NAV at the time the shares were quoted ex-dividend. A way of measuring investment management performance of investment trusts which is not affected by movements in discounts/premiums.

Net assets

Total assets minus any liabilities such as bank loans or creditors.

Net cash

A company's net exposure to cash/cash equivalents expressed as a percentage of shareholders' funds, after any offset against its gearing. This is only shown for companies that have gearing in place.

Net gearing

A company's total assets (less cash/cash equivalents) divided by shareholders' funds expressed as a percentage.

Ongoing charges

The total expenses for the financial year (excluding performance fee), divided by the average daily net assets, multiplied by 100.

Share price

Closing mid-market share price at month end.

Share price total return

The theoretical total return to the investor assuming that all dividends received were reinvested in the shares of the company at the time the shares were quoted ex-dividend. Transaction costs are not taken into account.

Total assets

Cum Income NAV multiplied by the number of shares, plus prior charges at fair value.

Yield

Calculated by dividing the current financial year's dividends per share (this will include prospective dividends) by the current price per share, then multiplying by 100 to arrive at a percentage figure.

For a full list of terms please visit:

<https://www.janushenderson.com/en-gb/investor/glossary/>

Source for fund ratings/awards

Overall Morningstar Rating™ is a measure of a fund's risk-adjusted return, relative to similar funds. Fund share classes are rated from 1 to 5 stars, with the best performers receiving 5 stars and the worst performers receiving a single star.

Overall Morningstar Rating™ is shown for an investment company achieving a rating of 4 or 5.

Ratings should not be taken as a recommendation. For more detailed information about Morningstar Ratings, including its methodology, please go to <https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx>.

Company specific risks

- This Company is suitable to be used as one component of several within a diversified investment portfolio. Investors should consider carefully the proportion of their portfolio invested in this Company.
- Active management techniques that have worked well in normal market conditions could prove ineffective or negative for performance at other times.
- The Company could lose money if a counterparty with which it trades becomes unwilling or unable to meet its obligations to the Company.
- Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.
- The return on your investment is directly related to the prevailing market price of the Company's shares, which will trade at a varying discount (or premium) relative to the value of the underlying assets of the Company. As a result, losses (or gains) may be higher or lower than those of the Company's assets.
- If a Company's portfolio is concentrated towards a particular country or geographical region, the investment carries greater risk than a portfolio that is diversified across more countries.
- Most of the investments in this portfolio are in smaller companies shares. They may be more difficult to buy and sell, and their share prices may fluctuate more than those of larger companies.
- Using derivatives exposes the Company to risks different from - and potentially greater than - the risks associated with investing directly in securities. It may therefore result in additional loss, which could be significantly greater than the cost of the derivative.
- Where the Company invests in assets that are denominated in currencies other than the base currency, the currency exchange rate movements may cause the value of investments to fall as well as rise.
- If the Company seeks to minimise risks (such as exchange rate movements), the measures designed to do so may be ineffective, unavailable or negative for performance.
- The Company may use gearing (borrowing to invest) as part of its investment strategy. If the Company utilises its ability to gear, the profits and losses incurred by the Company can be greater than those of a Company that does not use gearing.

Not for onward distribution. Before investing in an investment trust referred to in this document, you should satisfy yourself as to its suitability and the risks involved, you may wish to consult a financial adviser. This is a marketing communication. Please refer to the AIFMD Disclosure document and Annual Report of the AIF before making any final investment decisions. Past performance does not predict future returns. The value of an investment and the income from it can fall as well as rise and you may not get back the amount originally invested. Tax assumptions and reliefs depend upon an investor's particular circumstances and may change if those circumstances or the law change. Nothing in this document is intended to or should be construed as advice. This document is not a recommendation to sell or purchase any investment. It does not form part of any contract for the sale or purchase of any investment. We may record telephone calls for our mutual protection, to improve customer service and for regulatory record keeping purposes.

Issued in the UK by Janus Henderson Investors. Janus Henderson Investors is the name under which investment products and services are provided by Janus Henderson Investors International Limited (reg no. 3594615), Janus Henderson Investors UK Limited (reg. no. 906355), Janus Henderson Fund Management UK Limited (reg. no. 2678531), (each registered in England and Wales at 201 Bishopsgate, London EC2M 3AE and regulated by the Financial Conduct Authority), Tabula Investment Management Limited (reg. no. 11286661 at 10 Norwich Street, London, United Kingdom, EC4A 1BD and regulated by the Financial Conduct Authority) and Janus Henderson Investors Europe S.A. (reg no. B22848 at 78, Avenue de la Liberté, L-1930 Luxembourg, Luxembourg and regulated by the Commission de Surveillance du Secteur Financier).

Janus Henderson is a trademark of Janus Henderson Group plc or one of its subsidiaries. © Janus Henderson Group plc